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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/426,956	10/26/1999	JOHN KIHN	KIHNJ40223	2563
21587	7590	09/16/2004	EXAMINER	
ALTMAN & MARTIN 6 BEACON ST, STE 600 BOSTON, MA 02108			GORT, ELAINE L	
			ART UNIT	PAPER NUMBER
			3627	

DATE MAILED: 09/16/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Application No.

09/426,956

Applicant(s)

KIHN, JOHN

Examiner

Elaine Gort

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NW

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 03 July 2004.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-7, 14-17, 19 and 20 is/are pending in the application.
- 4a) Of the above claim(s) 1-7, 15-17, 19 and 20 is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 14 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_\_
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_\_

## DETAILED ACTION

### *Claim Rejections - 35 USC § 101*

1. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

2. Claim 14 is rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter and lack patentable utility. Claim 14 only claims the manipulation of data but performs no concrete, useful or tangible result. Claim 14 recites a process (method) comprising logic per se. If logic is merely computer code, then the method fails to comprise any physical elements and the claims are directed toward a computer program per se and thus do not fall within the technological arts. Current office policy regarding method claims disclosed as requiring a computer but not claiming the use of a computer, or embodied on a computer readable medium, is to consider the claimed subject matter as non-statutory for failing to fall within the technological arts. Claims must be tied to a technological art. Tying the system to a computer and outputting a result would overcome this rejection. An example of how this rejection could be overcome is by inserting the use of a computer in creating the adjusted weight for each security and by adding an additional step in the process such as the following:

Modifying Step (VII) to state "based on said step VI directly hereinabove, **using a computer to create** an adjusted weight for each security"

And adding this step at the end of claim 14: ***"(j) and using the computer to output an adjusted weight for each security to a medium or an electronic device"***.

***Claim Rejections - 35 USC § 112***

3. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

4. Claim 14 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

In claim 14 it is unclear in the claim, read in light of the specification, what specific data is being referred to regarding the three different disclosed types of data (portfolio, asset or portfolio tracking).

It is unclear what data in the equations is related to the three types of data disclosed. For example the specification does not explain in relation to the calculation of the index what type of data the variables used are. For example, on page 11 the process disclosed indicates the use of a price in calculating the index but does not indicate what type of data (portfolio, asset class or portfolio tracking) this price variable is derived from.

It is further unclear how portfolio tracking data is summed.

***Allowable Subject Matter***

5. Claim 14 is allowable over the prior art but is rejected under 35 U.S.C. 101 and 112 which must be overcome to be allowed.

***Response to Arguments***

6. Applicant has not overcome the 112 rejection as no clarification has been provided on the record.

Applicant must also overcome the 35 U.S.C. 101 rejection regarding being tied to a technological art (such as claiming the use of a computer) and regarding the claim having a concrete, useful and tangible result (such as an output).

***Conclusion***

7. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Elaine Gort whose telephone number is (703)308-6391. The examiner can normally be reached on Monday through Thursday from 7:00 am to 5:30 pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Robert Olszewski, can be reached at (703)308-5183. The fax phone number for the organization where this application or processing is assigned is (703)872-9326.

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Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is (703)308-1113.

A handwritten signature in black ink, appearing to read 'EG' followed by a stylized flourish.

Elaine Gort  
Examiner  
3627

September 15, 2004